

AMENDED IN SENATE JUNE 1, 2016

AMENDED IN ASSEMBLY APRIL 26, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

**No. 2030**

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**Introduced by Assembly Member Mullin  
(Coauthor: Assembly Member Bonilla)**

February 16, 2016

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An act to amend Section 20221 of the Public Contract Code, and to amend Section 103222 of the Public Utilities Code, relating to transportation.

### LEGISLATIVE COUNSEL'S DIGEST

AB 2030, as amended, Mullin. Transportation districts: contracts.

(1) Existing law requires contracts of the San Francisco Bay Area Rapid Transit District for the purchase of supplies, equipment, and materials to be let to the lowest responsible bidder or to the bidder who submits a proposal that provides best value, as defined, if the amount of the contract exceeds \$100,000 and requires the district to obtain a minimum of 3 quotations for those contracts between \$2,500 and \$100,000. Existing law requires the district, if the contract is for the construction of facilities and works, to let the contract to the lowest responsible bidder if the amount of the contract exceeds \$10,000 and to obtain a minimum of 3 quotations for those contracts between \$2,500 and \$10,000.

This bill would instead impose those bidding requirements with respect to district contracts for the purchase of supplies, equipment, and materials if the amount of the contract exceeds \$150,000 and would require a minimum of 3 quotations for those contracts between \$5,000

and \$150,000. The bill would also require, with respect to district contracts for the construction of facilities and works, a minimum of 3 quotations for those contracts between \$5,000 and \$10,000.

(2) Existing law requires contracts of the San Mateo County Transit District for the purchase of supplies, equipment, and materials to be let to the lowest responsible bidder or to the bidder who submits a proposal that provides best value, as defined, if the amount of the contract exceeds \$100,000 and requires the district, to the extent practicable, to obtain a minimum of 3 quotations for those contracts between \$2,500 and \$100,000.

This bill would instead impose those bidding requirements if the amount of the contracts exceeds \$150,000 and would require a minimum of 3 quotations for contracts between \$5,000 and \$150,000. ~~The bill would require that the \$5,000 threshold be adjusted to reflect changes in the Consumer Price Index.~~

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 20221 of the Public Contract Code is  
2 amended to read:  
3 20221. (a) The purchase of all supplies, equipment, and  
4 materials when the expenditure required exceeds one hundred fifty  
5 thousand dollars (\$150,000) shall be by contract let to the lowest  
6 responsible bidder or, in the district's discretion, to the responsible  
7 bidder who submitted a proposal that provides the best value to  
8 the district on the basis of the factors identified in the solicitation.  
9 "Best value" means the overall combination of quality, price, and  
10 other elements of a proposal that, when considered together,  
11 provide the greatest overall benefit in response to requirements  
12 described in the solicitation documents. The construction of  
13 facilities and works when the expenditure required exceeds ten  
14 thousand dollars (\$10,000) shall be by contract let to the lowest  
15 responsible bidder. Notice requesting bids shall be published at  
16 least once in a newspaper of general circulation. This publication  
17 shall be made at least 10 days before the bids are received. The  
18 board may reject any and all bids and readvertise in its discretion.  
19 (b) Whenever the expected procurement required exceeds five  
20 thousand dollars (\$5,000) and, in the case of the construction of

1 facilities and works, does not exceed ten thousand dollars (\$10,000)  
2 or, in the case of the purchase of supplies, equipment, or materials,  
3 does not exceed one hundred fifty thousand dollars (\$150,000),  
4 the district shall obtain a minimum of three quotations, either  
5 written or oral, that permit prices and terms to be compared.

6 (c) Where the expenditure required by the bid price is less than  
7 one hundred thousand dollars (\$100,000), the general manager  
8 may act for the board. When acting pursuant to this subdivision,  
9 the general manager shall, in each instance, promptly notify the  
10 board of the action taken.

11 SEC. 2. Section 103222 of the Public Utilities Code is amended  
12 to read:

13 103222. (a) The purchase of all supplies, equipment, and  
14 materials, when the expenditure required exceeds one hundred  
15 fifty thousand dollars (\$150,000), shall be by contract let to the  
16 lowest responsible bidder, or, in the district's discretion, to the  
17 responsible bidder who submitted a proposal that provides the best  
18 value to the district on the basis of the factors identified in the  
19 solicitation. "Best value" means the overall combination of quality,  
20 price, and other elements of a proposal that, when considered  
21 together, provide the greatest overall benefit in response to the  
22 requirements described in the solicitation documents.

23 (b) To the extent practicable, the district shall obtain a minimum  
24 of three quotations, either written or oral, that permit prices and  
25 terms to be compared whenever the expected expenditure required  
26 for the purchase of supplies, equipment, or materials exceeds five  
27 thousand dollars (\$5,000), but does not exceed one hundred fifty  
28 thousand dollars (\$150,000).

29 (c) Notice requesting bids required by this section shall be  
30 published at least once in a newspaper of general circulation and  
31 on the district's procurement Internet Web site. These publications  
32 shall be made at least 10 days before the bids are received. The  
33 board may reject any and all bids and readvertise at its discretion.

34 (d) This section applies solely to the procurement of supplies,  
35 equipment, and materials, and shall not apply to construction  
36 contracts.

37 ~~(e) The five-thousand-dollar (\$5,000) amount specified in~~  
38 ~~subdivision (b) shall be adjusted on January 1, 2018, to reflect the~~  
39 ~~percentage change since January 1, 2016, in the California~~  
40 ~~Consumer Price Index, and shall be adjusted each January 1~~

- 1 thereafter to reflect the annual percentage change in the California
- 2 Consumer Price Index.

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